

Introduced by Senator Cannella

February 21, 2014

An act to amend Section 14132.27 of the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

SB 1316, as introduced, Cannella. Medi-Cal: Disease Management Waiver.

Existing law establishes the Medi-Cal program, administered by the State Department of Health Care Services, under which basic health care services are provided to qualified low-income persons. Existing law requires the department to apply for a waiver of federal law to test the efficacy of providing a disease management benefit, as described, to specified beneficiaries under the Medi-Cal program.

This bill would make a technical, nonsubstantive change to these provisions.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 14132.27 of the Welfare and Institutions
- 2 Code is amended to read:
- 3 14132.27. (a) (1) The department shall apply for a waiver of
- 4 federal law pursuant to Section 1396n of Title 42 of the United
- 5 States Code to test the efficacy of providing a disease management
- 6 benefit to beneficiaries under the Medi-Cal program. A disease
- 7 management benefit shall include, but not be limited to, the use
- 8 of evidence-based practice guidelines, supporting adherence to

1 care plans, and providing patient education, monitoring, and
2 healthy lifestyle changes.

3 (2) The waiver developed pursuant to this section shall be known
4 as the Disease Management Waiver. The department shall submit
5 any necessary waiver applications or modifications to the Medicaid
6 State Plan to the federal Centers for Medicare and Medicaid
7 Services to implement the Disease Management Waiver, and shall
8 implement the waiver only to the extent federal financial
9 participation is available.

10 (b) The Disease Management Waiver shall be designed to
11 provide eligible individuals with a range of services that enable
12 them to remain in the least restrictive and most homelike
13 environment while receiving the medical care necessary to protect
14 their health and well-being. Services provided pursuant to this
15 waiver program shall include only those not otherwise available
16 under the state plan, and may include, but are not limited to,
17 medication management, coordination with a primary care
18 provider, use of evidence-based practice guidelines, supporting
19 adherence to a plan of care, patient education, communication and
20 collaboration among providers, and process and outcome measures.
21 Coverage for those services shall be limited by the terms,
22 conditions, and duration of the federal waiver.

23 (c) Eligibility for the Disease Management Waiver shall be
24 limited to those persons who are eligible for the Medi-Cal program
25 as aged, blind, and disabled persons or those persons over 21 years
26 of age who are not enrolled in a Medi-Cal managed care plan, or
27 eligible for the federal Medicare program, and who are determined
28 by the department to be at risk of, or diagnosed with, select chronic
29 diseases, including, but not limited to, advanced atherosclerotic
30 disease syndromes, congestive heart failure, and diabetes.
31 Eligibility shall be based on the individual's medical diagnosis
32 and prognosis, and other criteria, as specified in the waiver.

33 (d) The Disease Management Waiver shall test the effectiveness
34 of providing a Medi-Cal disease management benefit. The
35 department shall evaluate the effectiveness of the Disease
36 Management Waiver.

37 (1) The evaluation shall include, but not be limited to, participant
38 satisfaction, health and safety, the quality of life of the participant
39 receiving the disease management benefit, and demonstration of

1 the cost neutrality of the Disease Management Waiver as specified
2 in federal guidelines.

3 (2) The evaluation shall estimate the projected savings, if any,
4 in the budgets of state and local governments if the Disease
5 Management Waiver was expanded statewide.

6 (3) The evaluation shall be submitted to the appropriate policy
7 and fiscal committees of the Legislature on or before January 1,
8 2008.

9 (e) The department shall limit the number of participants in the
10 Disease Management Waiver during the initial three years of its
11 operation to a number that will be statistically significant for
12 purposes of the waiver evaluation and that meets any requirements
13 of the federal government, including a request to waive statewide
14 implementation requirements for the waiver during the initial years
15 of evaluation.

16 (f) In undertaking ~~this~~ *the* Disease Management Waiver, the
17 director may enter into contracts for the purpose of directly
18 providing Disease Management Waiver services.

19 (g) The department shall seek all federal waivers necessary to
20 allow for federal financial participation under this section.

21 (h) The Disease Management Waiver shall be developed and
22 implemented only to the extent that funds are appropriated or
23 otherwise available for that purpose.

24 (i) The department shall not implement this section if any of
25 the following apply:

26 (1) The department's application for federal funds under the
27 Disease Management Waiver is not accepted.

28 (2) Federal funding for the waiver ceases to be available.